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91ST CONGRESS }  
1st Session }

HOUSE OF REPRESENTATIVES

{ REPORT  
No. 91-700

SOCIAL SECURITY AMENDMENTS OF 1969

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REPORT

OF THE

COMMITTEE ON WAYS AND MEANS  
HOUSE OF REPRESENTATIVES

TO ACCOMPANY

H.R. 15095



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DECEMBER 5, 1969.—Committed to the Committee of the Whole House  
on the State of the Union and ordered to be printed

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91st Congress  
1969-1970

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HOUSE OF REPRESENTATIVES

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No. 91-700

## SOCIAL SECURITY AMENDMENTS OF 1969

DECEMBER 5, 1969.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. MILLS, from the Committee on Ways and Means,  
submitted the following

### REPORT

[To accompany H.R. 15095]

The Committee on Ways and Means, to whom was referred the bill (H.R. 15095) to increase benefits under the old-age, survivors, and disability insurance program, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

#### I. PURPOSE OF THE BILL

The purpose of H.R. 15095 is to provide an across-the-board increase in social security benefits of 15 percent for the 25 million elderly people, disabled people and their dependents, and widows and orphans who now get monthly social security benefits. In addition, the increase would apply to those people who will come on the benefit rolls in the future.

#### II. DISCUSSION OF THE PROVISIONS OF THE BILL

On October 15, the Committee on Ways and Means held extensive public hearings on all aspects of the Social Security Act, including the old-age, survivors, and disability insurance program, the public assistance programs, and the medicare and medicaid programs. As the evidence presented at these hearings unfolded, it became obvious that there was a pressing and urgent need for an across-the-board increase in the social security payments of people now on the benefit rolls. The information supplied to your committee indicated that the need was such that the increase should be provided as quickly as possible. Moreover, a recent revision in the long-range cost estimates of the system showed for the old-age, survivors, and disability programs an actuarial surplus of 1.16 percent of taxable payroll—an amount sufficient to meet

the cost of a 15-percent benefit increase. Therefore, your committee unanimously recommends that social security benefits be increased by 15 percent, effective with the benefits payable for January 1970. The benefit increase will be reflected in the checks issued on April 13, 1970, as is further explained below.

Your committee is convinced of the necessity to consider without unnecessary delay the many issues affecting the various programs under the Social Security Act which may call for legislative modification, and it intends to continue consideration of these issues as its first order of business when the Congress reconvenes next year. At that time, your committee will continue its consideration of the President's social security and welfare recommendations along with other proposals relating to public assistance and social security, including the operation of the medicare and medicaid programs. However, your committee does not believe the 15-percent benefit increase for social security beneficiaries should be delayed pending the committee's consideration of these other matters.

*Number of persons affected:* Your committee's bill would provide increased payments to the more than 25 million beneficiaries who will be on the benefit rolls in January 1970. Your committee has been informed that additional payments in fiscal year 1970 would total \$1.7 billion, and that payments in the first full calendar year in which the increased benefits are paid—1971—would total \$4.4 billion.

*Minimum, and maximum benefit changes:* Under the bill, the minimum benefit for a retired worker coming on the benefit rolls at or after age 65, and for a disabled worker, would be increased from \$55 to \$64 per month. The maximum worker's benefit would be increased from \$218 to \$250.70. (Although this maximum benefit is not payable until the year 2006 to people retired at age 65, maximum benefits are possible earlier for disabled people and for survivor families.)

*Special age 72 benefits also increased:* The special payments for certain people aged 72 and older who either have not worked at all under social security or have not worked long enough to qualify for regular social security cash benefits would also be increased by 15 percent—from \$40 for an individual and from \$60 for a couple to \$46 and \$69, respectively.

*Effective date:* Because of the time required to make the necessary changes in the Social Security Administration records and procedures that are needed to pay the new, higher amounts, the first check which could reflect the new rates would be for next March, payable in April. In addition, a separate check covering the retroactive increase for the January and February payments would be paid in April.

The following table shows illustrative benefit amounts under present law and under the proposed increase :





Average monthly earnings	Worker <sup>1</sup>		Man and wife <sup>1 2</sup>		Widow, widower, or parent, age 62	
	Present law	Bill	Present law	Bill	Present law	Bill
Minimum <sup>3</sup> -----	\$55. 00	\$64. 00	\$82. 50	\$96. 00	\$55. 00	\$84. 00
\$150-----	88. 40	101. 70	132. 60	152. 60	73. 00	83. 90
\$250-----	115. 00	132. 30	172. 50	198. 50	94. 90	109. 20
\$350-----	140. 40	161. 50	210. 60	242. 30	115. 90	133. 30
\$450-----	165. 00	189. 80	247. 50	284. 70	136. 20	156. 60
\$550-----	189. 90	218. 40	284. 90	327. 60	156. 70	180. 20
\$650-----	218. 00	250. 70	323. 00	376. 10	179. 90	206. 90

<sup>1</sup> For a worker who is disabled or who is age 65 or older at the time of retirement and a wife age 65 or older at the time when she comes on the rolls.

<sup>2</sup> Survivor benefit amounts for a widow and 1 child or for 2 parents would be the same as the benefits for a man and wife, except that the total benefits would always equal 150 percent of the worker's primary insurance amount; it would not be limited to \$323 as it is under the present law.

<sup>3</sup> Average monthly earnings of \$74 or less under the present law, and of \$76 or less under the bill.

<sup>4</sup> \$105 limit on wife's benefit is removed.

### III. ADDITIONAL AMENDMENTS RELATED TO THE 15-PERCENT BENEFIT INCREASE

In order to assure that all beneficiaries would get the 15-percent increase, the \$105 monthly limit in present law on the wife's, husband's, and certain remarried widow's and widower's benefits would be removed. Also, as has been true whenever there have been benefit increases in the past, the bill would permit families already on the rolls to get the 15-percent increase for January and succeeding months even though payments to such families exceed the maximum limit on family benefit payments for their particular average monthly wage.

Because H.R. 15095 increases disability insurance benefits by 15 percent—which are paid out of the disability insurance trust fund—your committee would provide a 15-percent increase in the allocation of social security tax income to the disability insurance trust fund. Beginning in 1970, the allocation to the trust fund would be increased from 0.95 percent of taxable wages to 1.1 percent of taxable wages and from 0.7125 percent of taxable self-employment income to 0.825 percent of taxable self-employment income.

Under present law the disability insurance trust fund is in approximate actuarial balance, having a long-range balance of -0.01 percent of taxable payroll. The old-age and survivors insurance trust fund has a substantial positive balance, amounting to 1.17 percent of taxable payroll. The increase in the allocation of contribution income to the disability insurance trust fund will meet the cost of the 15-percent benefit increase provided under the bill for disability beneficiaries and keep the disability insurance trust fund in actuarial balance, while leaving the old-age and survivors insurance trust fund in approximate actuarial balance.

### IV. ACTUARIAL COST ESTIMATES FOR THE OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE SYSTEM

#### (a) *Summary of actuarial cost estimates*

The old-age, survivors, and disability insurance system, as modified by your committee's bill, has an estimated cost for benefit payments and administrative expenses that is very closely in balance with contribution income. This also was the case for the 1950 and subsequent amendments at the time they were enacted.

The old-age and survivors insurance system as modified by your committee's bill shows an actuarial balance of -0.08 percent of taxable payroll under the intermediate-cost estimate. This is, of course, very close to an exact balance, especially considering that a range of variation is necessarily present in the long-range actuarial cost estimates and, further, that rounded tax rates are used in actual practice. Accordingly, the old-age and survivors insurance program, as it would be changed by your committee's bill, is actuarially sound.

The separate disability insurance trust fund, established under the 1956 act, shows exact actuarial balance under the provisions that would be in effect after enactment of your committee's bill, because the contribution rate allocated to this fund is exactly the same as the cost of the disability benefits based on the intermediate-cost estimate. Accordingly, the disability insurance program, as it would be modified by your committee's bill, is actuarially sound.

*(b) Contribution rate schedule for old-age, survivors, and disability insurance in bill*

The contribution schedule for old-age, survivors, and disability insurance in present law is not changed by your committee's bill.

These tax schedules are as follows:

[Percent]		
Calendar year	Combined employer-employee rate	Self-employed rate
1969-70.....	8.4	6.3
1971-72.....	9.2	6.9
1973 and after.....	10.0	7.0

The allocated rates to the two trust funds that are applicable to the combined employer-employee contribution rate for your committee's bill, as compared with present law, are as follows:

[Percent]				
Calendar year	Old-age and survivors insurance		Disability insurance	
	Present law	Committee bill	Present law	Committee bill
1970.....	7.45	7.30	0.95	1.10
1971-72.....	8.25	8.10	.95	1.10
1973 and after.....	9.05	8.90	.95	1.10

The allocation for disability insurance with respect to the self-employed rate is increased from 0.7125 percent under present law to 0.825 percent under your committee's bill.

*(c) Actuarial balance of program after enactment of 1967 act*

The changes made by the 1967 amendments involved an increased cost that was fully met by the accompanying changes in the financing provisions (namely, an increase in the contribution rates in 1973 and after and an increase in the earnings base). After an increase in the allocation to the disability insurance system, both that portion of the program and the old-age and survivors insurance portion were estimated to be in close actuarial balance.

In 1968 the cost estimates were completely revised, based on the availability of new operating data. The new estimates showed significantly lower costs. The actuarial balance of the old-age, survivors, and disability insurance program increased from +0.01 percent of taxable payroll to +0.53 percent of taxable payroll. The factors contributing to lower costs were as follows: (1) use of 1968 earnings assumption (instead of 1966 earnings) +0.33 percent; (2) use of  $4\frac{1}{4}$  percent interest assumption (instead of  $3\frac{3}{4}$  percent), +0.11 percent; (3) use of higher female labor force participation rates, +0.06 percent; and (4) other factors, +0.02 percent.

Then, in 1969, another complete revision of the actuarial cost estimates was made. The estimated cost of the program was again significantly reduced. The actuarial balance of the old-age, survivors, and disability insurance program was thereby increased from the figure of +0.53 percent of taxable payroll according to the 1968 estimate to +1.16 percent of taxable payroll. The factors contributing to lower costs were as follows: (1) use of 1969 earnings assumption (instead of 1968 earnings), +0.22 percent; (2) use of  $4\frac{3}{4}$ -percent interest assumption (instead of  $4\frac{1}{4}$  percent), +0.11 percent; (3) use of higher labor force participation rates, for both men and women, +0.23 percent; and (4) other factors, +0.07 percent.

(d) *Actuarial balance of OASDI system*

According to the latest cost estimates made for the 1967 act, there is a very favorable actuarial balance for the combined old-age, survivors, and disability insurance system, but that there is a deficit of 0.01 percent of taxable payroll for the disability insurance portion, and a favorable balance of 1.17 percent of taxable payroll for the old-age and survivors insurance portion.

Under your committee's bill, the benefit changes proposed would be financed by utilizing the existing favorable actuarial balance, without any increases in the contribution rates and the earnings base. Accordingly, since the disability insurance system is in such close actuarial balance under existing law, it is necessary to increase the portion of the combined contributions which are allocated to it, so as to finance the cost of the 15-percent benefit increase. Under the new allocation basis, both the old-age and survivors insurance system and the disability insurance system are in close actuarial balance.

Table I traces through the change in the actuarial balance of the system from its situation under present law, according to the latest estimate, to that under your committee's bill, by type of major changes involved, determined as of January 1, 1970.

TABLE I.—CHANGES IN ACTUARIAL BALANCE OF OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE SYSTEM, EXPRESSED IN TERMS OF ESTIMATED LEVEL-COST AS PERCENTAGE OF TAXABLE PAYROLL, BY TYPE OF CHANGE, INTERMEDIATE-COST ESTIMATE, PRESENT LAW AND COMMITTEE BILL

[Percent]			
Item	Old-age and survivors insurance	Disability insurance	Total system
Actuarial balance of present system.....	+1.17	—0.01	+1.16
Benefit increase of 15 percent.....	—1.10	— .14	—1.24
Revised allocation of contribution rate.....	— .15	+ .15	.00
Total effect of changes in bill.....	—1.25	+ .01	—1.24
Actuarial balance under bill.....	— .08	.00	— .08



The changes made by your committee's bill would maintain the sound actuarial position of the old-age, survivors, and disability insurance system. The estimated actuarial balance of -0.08 percent of taxable payroll is inside the established limit within which the system is considered substantially in actuarial balance.

It should be emphasized that in 1950 and in subsequent amendments, the Congress did not recommend that the system be financed by a high level tax rate in the future, but rather recommended an increasing schedule, which, of necessity, ultimately rises higher than such a level rate. Nonetheless, this graded tax schedule will produce a considerable excess of income over outgo for many years so that a sizable trust fund will develop, although not as large as would arise under an equivalent level tax rate. This fund will be invested in Government securities (just as is also the case for the trust funds of the civil service retirement, railroad retirement, national service life insurance, and U.S. Government life insurance systems). The resulting interest income will help to bear part of the higher benefit costs of the future.

*(e) Level-costs of benefit payments, by type*

The level-cost of the old-age and survivors insurance benefit payments (without considering administrative expenses, the railroad retirement financial interchange, and the effect of interest earnings on the existing trust fund) under the 1967 act, according to the latest intermediate-cost estimate, is 7.82 percent of taxable payroll, and the corresponding figure for the program as it would be modified by your committee's bill is 8.92 percent. The corresponding figures for the disability benefits are 0.96 percent for the 1967 act and 1.10 percent for your committee's bill.

Table II presents the benefit costs for the old-age, survivors, and disability insurance system as it would be after enactment of your committee's bill, separately for each of the various types of benefits.

TABLE II.—ESTIMATED LEVEL-COST OF BENEFIT PAYMENTS, ADMINISTRATIVE EXPENSES, AND INTEREST EARNINGS ON EXISTING TRUST FUND UNDER THE OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE SYSTEM, AFTER ENACTMENT OF COMMITTEE BILL, AS PERCENTAGE OF TAXABLE PAYROLL,<sup>1</sup> BY TYPE OF BENEFIT, INTERMEDIATE-COST ESTIMATE

[Percent]

Item	Old-age and survivors insurance	Disability insurance
Primary benefits.....	6.16	0.90
Wife's and husband's benefits.....	.50	.06
Widow's and widower's benefits.....	1.30	(2)
Parent's benefits.....	.01	(2)
Child's benefits.....	.74	.14
Mother's benefits.....	.13	(2)
Lump-sum death payments.....	.08	(2)
Total benefits.....	8.92	1.10
Administrative expenses.....	.13	.04
Railroad retirement financial interchange.....	.07	.00
Interest on existing trust fund <sup>2</sup> .....	-.26	-.04
Net total level-cost.....	8.86	1.10

<sup>1</sup> Including adjustment to reflect the lower contribution rate on self-employment income and on tips, as compared with the combined employer-employee rate.

<sup>2</sup> This type of benefit is not payable under this program.

<sup>3</sup> This item includes reimbursement for additional cost of noncontributory credit for military service and is taken as an offset to the benefit and administrative expense costs.



(f) *Income and outgo in near future*

Under your committee's bill, benefit disbursements under the old-age, survivors, and disability insurance system will increase by \$1.7 billion in fiscal year 1970 over present law; this represents the increase for 5 months' of benefit payments—since the increase is first effective for January 1970.

Under the program as modified by your committee's bill, according to this estimate, the old-age and survivors insurance trust fund will increase by about \$1.6 billion in 1970. In 1971-72, the trust fund will increase by about \$5 billion per year. In the next 2 years, as a result of the scheduled increase in the contribution rates in 1973, the trust fund will increase by about \$11 billion each year. Table III presents these short-range estimates.

TABLE III.—PROGRESS OF OLD-AGE AND SURVIVORS INSURANCE TRUST FUND, SHORT-RANGE ESTIMATE

[In millions]

Calendar year	Contributions	Benefit payments	Administrative expenses	Railroad retirement financial interchange <sup>2</sup>	Interest on fund <sup>1</sup>	Balance in fund at end of year <sup>3</sup>
<b>Actual data:</b>						
1951	\$3,367	\$1,885	\$81	-----	\$417	\$15,540
1952	3,819	2,194	88	-----	365	17,442
1953	3,945	3,006	88	-----	414	18,707
1954	5,163	3,670	92	-\$21	447	20,576
1955	5,713	4,968	119	-7	454	21,663
1956	6,172	5,715	132	-5	526	22,519
1957	6,825	7,347	162	-2	556	22,393
1958	7,566	8,327	194	124	552	21,864
1959	8,052	9,842	184	282	532	20,141
1960	10,866	10,677	203	318	516	20,324
1961	11,285	11,862	239	332	548	19,725
1962	12,059	13,356	256	361	526	18,337
1963	14,541	14,217	281	423	521	18,480
1964	15,689	14,914	296	403	569	19,125
1965	16,017	16,737	328	436	593	18,235
1966	20,658	18,267	256	444	644	20,570
1967	23,216	19,468	406	508	818	24,222
1968	24,101	22,642	476	438	939	25,704
<b>Estimated data (short-range estimate), committee bill:</b>						
1969 <sup>4</sup>	28,523	24,245	469	491	1,139	30,161
1970	30,089	28,799	516	526	1,352	31,761
1971	34,527	30,288	532	564	1,562	36,466
1972	36,455	31,414	551	633	1,872	42,195
1973	41,429	32,518	571	621	2,308	52,222
1974	43,459	33,641	591	612	2,870	63,707

<sup>1</sup> An interest rate of 4.75 percent is used in determining the level costs, under the intermediate-cost long-range estimates, but in developing the progress of the trust fund a varying rate in the early years has been used.

<sup>2</sup> A negative figure indicates payment to the trust fund from the railroad retirement account, and a positive figure indicates the reverse.

<sup>3</sup> Not including amounts in the railroad retirement account to the credit of the old-age and survivors insurance trust fund. In millions of dollars, these amounted to \$377 for 1953, \$284 for 1954, \$163 for 1955, \$60 for 1956, and nothing for 1957 and thereafter.

<sup>4</sup> Estimated data for present law.

Note: Contributions include reimbursement for additional cost of noncontributory credit for military service and for the special benefits payable to certain noninsured persons aged 72 or over.

The disability insurance trust fund is estimated to increase by about \$1.4 billion in 1970 under your committee's bill, and by somewhat larger amounts each year thereafter for the next few years. Table IV presents these short-range estimates.

TABLE IV.—PROGRESS OF DISABILITY INSURANCE TRUST FUND, SHORT-RANGE ESTIMATE

[In millions]

Calendar year	Contributions	Benefit payments	Administrative expenses	Railroad retirement financial interchange <sup>1</sup>	Interest on fund <sup>2</sup>	Balance in fund at end of year
Actual data:						
1957	\$702	\$57	\$3	-----	\$7	\$649
1958	966	249	12	-----	25	1,379
1959	891	457	50	-----	40	1,825
1960	1,010	568	36	-----	53	2,289
1961	1,038	887	64	-----	66	2,437
1962	1,046	1,105	66	-----	68	2,368
1963	1,099	1,210	68	-----	66	2,235
1964	1,154	1,309	79	-----	64	2,047
1965	1,188	1,573	90	-----	59	1,606
1966	2,022	1,784	137	-----	58	1,739
1967	2,302	1,950	109	-----	78	2,029
1968	3,454	2,294	127	-----	106	3,025
Estimated data (short-range estimate), committee bill:						
1969 <sup>3</sup>	3,643	2,563	151	21	180	4,113
1970	4,419	3,092	162	18	260	5,520
1971	4,693	3,298	169	17	334	7,063
1972	4,913	3,462	174	21	412	8,731
1973	5,136	3,607	181	22	500	10,557
1974	5,369	3,731	187	23	596	12,581

<sup>1</sup> A negative figure indicates payment to the trust fund from the railroad retirement account, and a positive figure indicates the reverse.

<sup>2</sup> An interest rate of 4.75 percent is used in determining the level-costs under the intermediate-cost long-range estimates but in developing the progress of the trust fund a varying rate in the early years has been used.

<sup>3</sup> Estimated data for present law.

Note: Contributions include reimbursement for additional cost of noncontributory credit for military service.

### (g) Long-range operations of OASI trust fund

Table V gives the estimated operations of the old-age and survivors insurance trust fund under the program as it would be changed by your committee's bill for the long-range future, based on the intermediate-cost estimate. It will, of course, be recognized that the figures for the next two or three decades are the most reliable (under the assumption of level-earnings trends in the future) since the populations concerned—both covered workers and beneficiaries—are already born. As the estimates proceed further into the future, there is, of course, much more uncertainty.

In every year after 1969 for the next 15 years, contribution income under the system as it would be modified by your committee's bill is estimated to exceed old-age and survivors insurance benefit disbursements. Even after the benefit-outgo curve rises ahead of the contribution-income curve, the trust fund will nonetheless continue to increase because of the effect of interest earnings (which more than meet the administrative expense disbursements and any financial interchanges with the railroad retirement program). As a result, this trust fund is estimated to grow steadily under the intermediate long-range cost estimate (with a level-earnings assumption), reaching \$89 billion in 1980 and about \$160 billion at the end of this century.

TABLE V.—ESTIMATED PROGRESS OF OLD-AGE AND SURVIVORS INSURANCE TRUST FUND UNDER SYSTEM AS MODIFIED BY COMMITTEE BILL, LONG-RANGE-INTERMEDIATE-COST ESTIMATE

[In millions]

Calendar year	Contributions	Benefit payments <sup>1</sup>	Administrative expenses	Interest on fund	Balance in fund at end of year
1980.....	\$42,080	\$38,956	\$614	\$3,801	\$89,343
1990.....	47,578	50,140	714	5,868	132,750
2000.....	55,344	56,998	791	7,267	164,715
2025.....	72,031	92,408	1,163	10,621	232,689

<sup>1</sup> Includes effect of financial interchange provision with railroad retirement system.

Note: Contributions include reimbursement for additional cost of noncontributory credit for military service before 1957. No account is taken in this table of the outgo for the special benefits payable to certain noninsured persons aged 72 or over or for the additional benefits payable on the basis of noncontributory credit for military service after 1967—or of the corresponding reimbursement thereof, which is exactly counterbalancing from a long-range cost standpoint.

*(h) Long-range operations of DI trust fund*

The disability insurance trust fund, under the program as it would be changed by your committee's bill, grows slowly but steadily after 1969, according to the intermediate long-range cost estimate, as shown by table VI. In 1980, it is shown as being \$18 billion, while in 1990, the corresponding figure is \$29 billion. There is a small excess of contribution income over benefit disbursements for every year after 1969 for the next 20 years.

TABLE VI.—ESTIMATED PROGRESS OF DISABILITY INSURANCE TRUST FUND UNDER SYSTEM AS MODIFIED BY COMMITTEE BILL, LONG-RANGE-INTERMEDIATE-COST ESTIMATE

[In millions]

Calendar year	Contributions	Benefit payments <sup>1</sup>	Administrative expenses	Interest on fund	Balance in fund at end of year
1980.....	\$5,222	\$4,685	\$176	\$768	\$17,606
1990.....	5,917	5,806	194	1,284	28,855
2000.....	6,887	7,367	238	1,847	41,117
2025.....	8,946	10,697	342	1,980	43,685

<sup>1</sup> Includes effect of financial interchange provision with railroad retirement system.

Note: Contributions include reimbursement for additional cost of noncontributory credit for military service before 1957. No account is taken in this table of the outgo for the additional benefits payable on the basis of noncontributory credit for military service after 1967—or of the corresponding reimbursement thereof, which is exactly counterbalancing from a long-range cost standpoint.



## V. Changes in Existing Law Made by the Bill, As Reported

In compliance with clause 3 of Rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman) :

### SOCIAL SECURITY ACT

\* \* \* \* \*

#### TITLE II—FEDERAL OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE BENEFITS

##### Federal Old-Age and Survivors Insurance Trust Fund and Federal Disability Insurance Trust Fund

###### Section 201. (a) \* \* \*

(b) There is hereby created on the books of the Treasury of the United States a trust fund to be known as the "Federal Disability Insurance Trust Fund". The Federal Disability Insurance Trust Fund shall consist of such amounts as may be appropriated to, or deposited in, such fund as provided in this section. There is hereby appropriated to the Federal Disability Insurance Trust Fund for the fiscal year ending June 30, 1957, and for each fiscal year thereafter, out of any moneys in the Treasury not otherwise appropriated, amounts equivalent to 100 per centum of—

(1) (A)  $\frac{1}{2}$  of 1 per centum of the wages (as defined in section 3121 of the Internal Revenue Code of 1954) paid after December 31, 1956, and before January 1, 1966, and reported to the Secretary of the Treasury or his delegate pursuant to subtitle F of the Internal Revenue Code of 1954, (B) 0.70 of 1 per centum of the wages (as so defined) paid after December 31, 1965, and before January 1, 1968, and so reported, [and] (C) 0.95 of 1 per centum of the wages (as so defined) paid after December 31, [1967, and so reported,] 1967, and before January 1, 1970, and so reported, and (D) 1.10 per centum of the wages (as so defined) paid after December 31, 1969, and so reported, which wages shall be certified by the Secretary of Health, Education, and Welfare on the basis of the records of wages established and maintained by such Secretary in accordance with such reports; and

(2) (A)  $\frac{3}{8}$  of 1 per centum of the amount of self-employment income (as defined in section 1402 of the Internal Revenue Code of 1954) reported to the Secretary of the Treasury or his delegate on tax returns under subtitle F of the Internal Revenue Code of 1954 for any taxable year beginning after December 31, 1956, and before January 1, 1966, (B) and 0.525 of 1 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1965, and before January 1, 1968, [and] (C) 0.7125 of 1 per centum of the amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1967, and before January 1, 1970, and (D) 0.825 of 1 per centum of the



*amount of self-employment income (as so defined) so reported for any taxable year beginning after December 31, 1969, which self-employment income shall be certified by the Secretary of Health, Education, and Welfare on the basis of the records of self-employment income established and maintained by the Secretary of Health, Education, and Welfare in accordance with such returns.*

\* \* \* \* \*

## Old-Age and Survivors Insurance Benefit Payments

### Old-Age Insurance Benefits

#### Sec. 202. (a) \* \* \*

#### Wife's Insurance Benefits

##### (b) (1) \* \* \*

[(2) Except as provided in subsection (q), such wife's insurance benefit for each month shall be equal to whichever of the following is the smaller: (A) one-half of the primary insurance amount of her husband (or, in the case of a divorced wife, her former husband) for such months, or (B) \$105.]

*(2) Except as provided in subsection (q), such wife's insurance benefit for each month shall be equal to one-half of the primary insurance amount of her husband (or, in the case of a divorced wife, her former husband) for such month.*

\* \* \* \* \*

#### Husband's Insurance Benefits

##### (c) (1) \* \* \*

[(3) Except as provided in subsection (q), such husband's insurance benefit for each month shall be equal to whichever of the following is the smaller: (A) one-half of the primary insurance amount of his wife for such month, or (B) \$105.]

*(3) Except as provided in subsection (q), such husband's insurance benefit for each month shall be equal to one-half of the primary insurance amount of his wife for such month.*

\* \* \* \* \*

#### Widow's Insurance Benefits

##### (e) (1) \* \* \*

(4) If a widow, after attaining the age of 60, marries an individual (other than one described in subparagraph (A) or (B) of paragraph (3)), such marriage shall, for purposes of paragraph (1), be deemed not to have occurred; except that, notwithstanding the provisions of paragraph (2) and subsection (q), such widow's insurance benefit for the month in which such marriage occurs and each month thereafter prior to the month in which the husband dies or such marriage is otherwise terminated, shall be equal to [whichever of the following is the smaller: (A) one-half of the primary insurance amount of the deceased individual on whose wages and self-employment income such benefit is based, or (B) \$105] *one-half of the primary insurance amount of the deceased individual on whose wages and self-employment income such benefit is based;*

\* \* \* \* \*

### Widower's Insurance Benefits

(f) (1) \* \* \*

(5) If a widower, after attaining the age of 62, marries an individual (other than one described in subparagraph (A) or (B) of paragraph (4)), such marriage shall, for purposes of paragraph (1), be deemed not to have occurred; except that, notwithstanding the provisions of paragraph (3) and subsection (q), such widower's insurance benefit for the month in which such marriage occurs and each month thereafter prior to the month in which the wife dies or such marriage is otherwise terminated, shall be equal to [whichever of the following is the smaller: (A) one-half of the primary insurance amount of the deceased individual on whose wages and self-employment income such benefit is based, or (B) \$105] *one-half of the primary insurance amount of the deceased individual on whose wages and self-employment income such benefit is based.*

\* \* \* \* \*

### Reduction of Insurance Benefits

#### Maximum Benefits

**Sec. 203.** (a) Whenever the total of monthly benefits to which individuals are entitled under sections 202 and 223 for a month on the basis of the wages and self-employment income of an insured individual is greater than the amount appearing in column V of the table in section 215(a) on the line on which appears in column IV such insured individual's primary insurance amount, such total of benefits shall be reduced to such amount; except that—

(1) when any of such individuals so entitled would (but for the provisions of section 202(k) (2) (A) be entitled to child's insurance benefits on the basis of the wages and self-employment income of one or more other insured individuals, such total of benefits shall not be reduced to less than the smaller of: (A) the sum of the maximum amounts of benefits payable on the basis of the wages and self-employment income of all such insured individuals, or (B) the last figure in column V of the table appearing in section 215(a), or

(2) when two or more persons were entitled (without the application of section 202(j) (1) and section 223(b)) to monthly benefits under section 202 or 223 for [the month of February 1968] *January 1970* on the basis of the wages and self-employment income of such insured individual *and at least one such person was so entitled for December 1969 on the basis of such wages and self-employment income*, such total of benefits for [such month] *January 1970* or any subsequent month shall not be reduced to less than the larger of—

(A) the amount determined under this subsection without regard to this paragraph, or

(B) an amount equal to the sum of the amounts derived by multiplying the benefit amount determined under this title (including this subsection, but without the application of section 222(b), section 202(q), and subsections (b), (c), and (d) of this section), as in effect prior to [February 1968] *January 1970*, for each such person for [February 1968] *such month*, by [113] *115* percent and raising each such increased amount, if it is not a multiple of \$0.10, to the next higher multiple of \$0.10;

but in any such case (i) paragraph (1) of this subsection shall not be applied to such total of benefits after the application of subpara-

graph (B), and (ii) if section 202(k)(2)(A) was applicable in the case of any such benefits for [the month of February 1968] *January 1970*, and ceases to apply after such month, the provisions of subparagraph (B) shall be applied, for and after the month in which section 202(k)(2)(A) ceases to apply, as though paragraph (1) had not been applicable to such total of benefits for [February 1968] *January 1970*, or

\* \* \* \* \*

### Computation of Primary Insurance Amount

**Sec. 215.** For the purposes of this title—

(a) Subject to the conditions specified in subsections (b), (c), and (d) of this section, the primary insurance amount of an insured individual shall be whichever of the following is the largest:

(1) The amount in column IV on the line on which in column III of the following table appears his average monthly wage (as determined under subsection (b));

(2) The amount in column IV on the line on which in column II of the following table appears his primary insurance amount (as determined under subsection (c));

(3) The amount in column IV on the line on which in column I of the following table appears his primary insurance benefit (as determined under subsection (d)); or

(4) In the case of an individual who was entitled to a disability insurance benefit for the month before the month in which he died, became entitled to old-age insurance benefits, or attained age 65, the amount in column IV which is equal to the primary insurance amount upon which such disability insurance benefit is based.

TABLE FOR DETERMINING PRIMARY INSURANCE AMOUNT AND  
MAXIMUM FAMILY BENEFITS

I  (Primary insurance benefit under 1939 act, as modified)		II  (Primary insurance amount under 1965 act)	III  (Average monthly wage)		IV  (Primary insurance amount)	V  (Maximum family benefits)
If an individual's primary insurance benefit (as determined under subsec. (d)) is—		Or his primary insurance amount (as determined under subsec. (c)) is—	Or his average monthly wage (as determined under subsec. (b)) is—		The amount referred to in the preceding paragraphs of this subsection shall be—	And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self- employment income shall be—
At least—	But not more than—		At least—	But not more than—		
-----	\$15. 60	\$48. 00	-----	\$74	\$55. 00	\$82. 50
		or less				
\$15.61-----	16. 20	49. 00	\$75	76	55. 40	83. 10
\$16.21-----	16. 84	50. 00	77	78	56. 50	84. 80
\$16.85-----	17. 60	51. 00	79	80	57. 70	86. 60
\$17.61-----	18. 40	52. 00	81	81	58. 80	88. 20
\$18.41-----	19. 24	53. 00	82	83	59. 90	89. 90
\$19.25-----	20. 00	54. 00	84	85	61. 10	91. 70
\$20.01-----	20. 64	55. 00	86	87	62. 20	93. 30
\$20.65-----	21. 28	56. 00	88	89	63. 30	95. 00
\$21.29-----	21. 88	57. 00	90	90	64. 50	96. 80
\$21.89-----	22. 28	58. 00	91	92	65. 60	98. 40



TABLE FOR DETERMINING PRIMARY INSURANCE AMOUNT AND  
MAXIMUM FAMILY BENEFITS—Continued

I (Primary insurance benefit under 1939 act, as modified)		II (Primary insurance amount under 1965 act)	III (Average monthly wage)		IV (Primary insurance amount)	V (Maximum family benefits)
If an individual's primary insurance benefit (as determined under subsec. (d)) is—		Or his primary insurance amount (as determined under subsec. (c)) is—	Or his average monthly wage (as determined under subsec. (b)) is—		The amount referred to in the preceding paragraphs of this subsection shall be—	And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self- employment income shall be—
At least—	But not more than—		At least—	But not more than—		
\$22.29.....	\$22.68	\$59.00	\$93	\$94	\$66.70	\$100.10
\$22.69.....	23.08	60.00	95	96	67.80	101.70
\$23.09.....	23.44	61.00	97	97	69.00	103.50
\$23.45.....	23.76	62.10	98	99	70.20	105.30
\$23.77.....	24.20	63.20	100	101	71.50	107.30
\$24.21.....	24.60	64.20	102	102	72.60	108.90
\$24.61.....	25.00	65.30	103	104	73.80	110.70
\$25.01.....	25.48	66.40	105	106	75.10	112.70
\$25.49.....	25.92	67.50	107	107	76.30	114.50
\$25.93.....	26.40	68.50	108	109	77.50	116.30
\$26.41.....	26.94	69.60	110	113	78.70	118.10
\$26.95.....	27.46	70.70	114	118	79.90	119.90
\$27.47.....	28.00	71.70	119	122	81.10	121.70
\$28.01.....	28.68	72.80	123	127	82.30	123.50
\$28.69.....	29.25	73.90	128	132	83.60	125.40
\$29.26.....	29.68	74.90	133	136	84.70	127.10
\$29.69.....	30.36	76.00	137	141	85.90	128.90
\$30.37.....	30.92	77.10	142	146	87.20	130.80
\$30.93.....	31.36	78.20	147	150	88.40	132.60
\$31.37.....	32.00	79.20	151	155	89.50	134.30
\$32.01.....	32.60	80.30	156	160	90.80	136.20
\$32.61.....	33.20	81.40	161	164	92.00	138.00
\$33.21.....	33.88	82.40	165	169	93.20	139.80
\$33.89.....	34.50	83.50	170	174	94.40	141.60
\$34.51.....	35.00	84.60	175	178	95.60	143.40
\$35.01.....	35.80	85.60	179	183	96.80	146.40
\$35.81.....	36.40	86.70	184	188	98.00	150.40
\$36.41.....	37.06	87.80	189	193	99.30	154.40
\$37.09.....	37.60	88.90	194	197	100.50	157.60
\$37.61.....	38.20	89.90	198	202	101.60	161.60
\$38.21.....	39.12	91.00	203	207	102.90	165.60
\$39.13.....	39.68	92.10	208	211	104.10	168.80
\$39.69.....	40.33	93.10	212	216	105.20	172.80
\$40.34.....	41.12	94.20	217	221	106.50	176.80
\$41.13.....	41.76	95.30	222	225	107.70	180.00
\$41.77.....	42.44	96.30	226	230	108.90	184.00
\$42.45.....	43.20	97.40	231	235	110.10	188.00
\$43.21.....	43.76	98.50	236	239	111.40	191.20
\$43.77.....	44.44	99.60	240	244	112.60	195.20
\$44.45.....	44.88	100.60	245	249	113.70	199.20
\$44.89.....	45.60	101.70	250	253	115.00	202.40
		102.80	254	258	116.20	206.40
		103.80	259	263	117.30	210.40
		104.90	264	267	118.60	213.60
		106.00	268	272	119.80	217.60
		107.00	273	277	121.00	221.60
		108.10	278	281	122.20	224.80
		109.20	282	286	123.40	228.80
		110.30	287	291	124.70	232.80
		111.30	292	295	125.80	236.00
		112.40	296	300	127.10	240.00
		113.50	301	305	128.30	244.00
		114.50	306	309	129.40	247.20
		115.60	310	314	130.70	251.20
		116.70	315	319	131.90	255.20
		117.70	320	323	133.00	258.40
		118.80	324	328	134.30	262.40
		119.90	329	333	135.50	266.40
		121.00	334	337	136.80	269.60
		122.00	338	342	137.90	273.60
		123.10	343	347	139.10	277.60
		124.20	348	351	140.40	280.80
		125.20	352	356	141.50	284.80
		126.30	357	361	142.80	288.80
		127.40	362	365	144.00	292.00
		128.40	366	370	145.10	296.00
		129.50	371	375	146.40	300.00



TABLE FOR DETERMINING PRIMARY INSURANCE AMOUNT AND  
MAXIMUM FAMILY BENEFITS—Continued

I (Primary insurance benefit under 1939 act, as modified)		II (Primary insurance amount under 1965 act)	III (Average monthly wage)		IV (Primary insurance amount)	V (Maximum family benefits)
If an individual's primary insurance benefit (as determined under subsec. (d)) is—		Or his primary insurance amount (as determined under subsec. (c)) is—	Or his average monthly wage (as determined under subsec. (b)) is—		The amount referred to in the preceding paragraphs of this subsection shall be—	And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self- employment income shall be—
At least—	But not more than—		At least—	But not more than—		
		\$130.60	\$376	\$379	\$147.60	\$303.20
		131.70	380	384	148.90	307.20
		132.70	385	389	150.00	311.20
		133.00	390	393	151.20	314.40
		134.90	394	398	152.50	318.40
		135.90	399	403	153.60	322.40
		137.00	404	407	154.90	325.60
		138.00	408	412	156.00	329.60
		139.00	413	417	157.10	333.60
		140.00	418	421	158.20	336.80
		141.00	422	426	159.40	340.80
		142.00	427	431	160.50	344.80
		143.00	432	436	161.60	348.80
		144.00	437	440	162.80	350.40
		145.00	441	445	163.90	352.40
		146.00	446	450	165.00	354.40
		147.00	451	454	166.20	356.00
		148.00	455	459	167.30	358.00
		149.00	460	464	168.40	360.00
		150.00	465	468	169.50	361.60
		151.00	469	473	170.70	363.60
		152.00	474	478	171.80	365.60
		153.00	479	482	172.90	367.20
		154.00	483	487	174.10	369.20
		155.00	483	492	175.20	371.20
		156.00	493	496	176.30	372.80
		157.00	497	501	177.50	374.80
		158.00	502	506	178.60	376.80
		159.00	507	510	179.70	378.40
		160.00	511	515	180.80	380.40
		161.00	516	520	182.00	382.40
		162.00	521	524	183.10	384.00
		163.00	525	529	184.20	386.00
		164.00	530	534	185.40	388.00
		165.00	535	538	186.50	389.60
		166.00	539	543	187.60	391.60
		167.00	544	548	188.80	393.60
		168.00	549	553	189.90	395.60
			554	556	191.00	396.80
			557	560	192.00	398.40
			561	563	193.00	399.60
			564	567	194.00	401.20
			568	570	195.00	402.40
			571	574	196.00	404.00
			575	577	197.00	405.20
			578	581	198.00	406.80
			582	584	199.00	408.00
			585	588	200.00	409.60
			589	591	201.00	410.80
			592	595	202.00	412.40
			596	598	203.00	413.60
			599	602	204.00	415.20
			603	605	205.00	416.40
			606	609	206.00	418.00
			610	612	207.00	419.20
			613	616	208.00	420.80
			617	620	209.00	422.40
			621	623	210.00	423.60
			624	627	211.00	425.20
			628	630	212.00	426.40
			631	634	213.00	428.00
			635	637	214.00	429.20
			638	641	215.00	430.80
			642	644	216.00	432.00
			645	648	217.00	433.60
			649	650	218.00	434.40

TABLE FOR DETERMINING PRIMARY INSURANCE AMOUNT AND MAXIMUM FAMILY BENEFITS

I (Primary insurance benefit under 1939 act, as modified)		II (Primary insurance amount under 1967 act)	III (Average monthly wage)		IV (Primary insurance amount)	V (Maximum family benefits)
If an individual's primary insurance benefit (as determined under subsec. (d)) is—		Or his primary insurance amount (as determined under subsec. (c)) is—	Or his average monthly wage (as determined under subsec. (b)) is—		The amount referred to in the preceding paragraphs of this subsection shall be—	And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self- employment income shall be—
At least—	But not more than—		At least—	But not more than—		
-----	\$16.20	\$55.40 or less	-----	\$76	\$64.00	\$96.00
\$16.21	16.84	56.50	\$77	78	65.00	96.50
\$16.85	17.60	57.70	79	80	66.40	99.60
\$17.61	18.40	58.80	81	81	67.70	101.60
\$18.41	19.24	59.90	82	82	68.90	103.40
\$19.25	20.00	61.10	83	83	70.30	105.50
\$20.01	20.64	62.20	84	84	71.60	107.40
\$20.65	21.23	63.30	85	85	72.80	109.20
\$21.29	21.88	64.60	90	90	74.20	111.30
\$21.89	22.28	65.60	91	91	75.50	113.30
\$22.29	22.68	66.70	93	94	76.80	115.20
\$22.69	23.08	67.80	95	96	78.00	117.00
\$23.09	23.44	69.00	97	97	79.40	119.10
\$23.45	23.76	70.20	98	99	80.80	121.20
\$23.77	24.20	71.50	100	101	82.30	123.50
\$24.21	24.60	72.60	102	102	83.60	125.30
\$24.61	25.00	73.80	103	104	84.90	127.40
\$25.01	25.48	75.10	105	106	86.40	129.60
\$25.49	25.92	76.30	107	107	87.80	131.70
\$25.93	26.40	77.50	108	109	89.20	133.80
\$26.41	26.94	78.70	110	113	90.60	135.90
\$26.95	27.46	79.90	114	118	91.90	137.90
\$27.47	28.00	81.10	119	122	93.30	140.00
\$28.01	28.68	82.30	123	127	94.70	142.10
\$28.69	29.25	83.60	128	132	96.20	144.30
\$29.26	29.68	84.70	133	136	97.50	146.30
\$29.69	30.36	85.90	137	141	98.80	148.20
\$30.37	30.92	87.20	142	146	100.30	150.50
\$30.93	31.36	88.40	147	150	101.70	152.60
\$31.37	32.00	89.60	151	155	103.00	154.50
\$32.01	32.60	90.80	156	160	104.50	156.80
\$32.61	33.20	92.00	161	164	105.80	158.70
\$33.21	33.88	93.20	165	169	107.20	160.80
\$33.89	34.50	94.40	170	174	108.60	162.90
\$34.51	35.00	95.60	175	178	110.00	165.00
\$35.01	35.80	96.80	179	183	111.40	167.10
\$35.81	36.40	98.00	184	188	112.70	169.10
\$36.41	37.08	99.30	189	193	114.20	171.30
\$37.09	37.60	100.60	194	197	115.60	173.40
\$37.61	38.20	101.60	198	202	116.90	175.40
\$38.21	39.12	102.90	203	207	118.40	177.60
\$39.13	39.68	104.10	208	211	119.80	179.70
\$39.69	40.33	105.20	212	216	121.00	181.50
\$40.34	41.12	106.60	217	221	122.60	183.80
\$41.13	41.76	107.70	222	225	123.90	185.90
\$41.77	42.44	108.90	226	230	125.30	188.00
\$42.45	43.20	110.10	231	235	126.70	190.10
\$43.21	43.76	111.40	236	239	128.20	192.30
\$43.77	44.44	112.60	240	244	129.50	195.20
\$44.45	44.88	113.70	245	249	130.80	199.20
\$44.89	45.60	115.00	250	253	132.30	202.40
		116.20	254	258	133.70	206.40
		117.30	259	263	134.90	210.40
		118.60	264	267	136.40	213.60
		119.80	268	272	137.80	217.60
		121.00	273	277	139.20	221.60
		122.20	278	281	140.60	224.80
		123.40	282	286	142.00	228.80
		124.70	287	291	143.50	232.80
		125.80	292	295	144.70	236.00
		127.10	296	300	146.20	240.00
		128.30	301	305	147.60	244.00

TABLE FOR DETERMINING PRIMARY INSURANCE AMOUNT AND MAXIMUM FAMILY BENEFITS—Continued

I (Primary insurance benefit under 1939 act, as modified)		II (Primary insurance amount under 1967 act)	III (Average monthly wage)		IV (Primary insurance amount)	V (Maximum family benefits)
If an individual's primary insurance benefit (as determined under subsec. (d)) is—		Or his primary insurance amount (as determined under subsec. (c)) is—	Or his average monthly wage (as determined under subsec. (b)) is—		The amount referred to in the preceding paragraphs of this subsection shall be—	And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self-employment income shall be—
At least—	But not more than—		At least—	But not more than—		
		\$129.40	\$306	\$309	\$148.90	\$247.20
		130.70	310	314	150.40	251.20
		131.90	315	319	151.70	255.20
		133.00	320	323	153.00	258.40
		134.30	324	328	154.50	262.40
		135.50	329	333	155.90	266.40
		136.80	334	337	157.40	269.60
		137.90	338	342	158.60	273.60
		139.10	343	347	160.00	277.60
		140.40	348	351	161.50	280.80
		141.50	352	356	162.80	284.80
		142.80	357	361	164.30	288.80
		144.00	362	365	165.60	292.00
		145.10	366	370	166.90	296.00
		146.40	371	375	168.40	300.00
		147.60	376	379	169.80	303.20
		148.90	380	384	171.30	307.20
		150.00	385	389	172.50	311.20
		151.20	390	393	173.90	314.40
		152.50	394	398	175.40	318.40
		153.60	399	403	176.70	322.40
		154.90	404	407	178.20	325.60
		156.00	408	412	179.40	329.60
		157.10	413	417	180.70	333.60
		158.20	418	421	182.00	336.80
		159.40	422	426	183.40	340.80
		160.50	427	431	184.60	344.80
		161.60	432	436	185.90	348.80
		162.80	437	440	187.30	350.40
		163.90	441	445	188.50	352.40
		165.00	446	450	189.80	354.40
		166.20	451	454	191.20	356.00
		167.30	455	459	192.40	358.00
		168.40	460	464	193.70	360.00
		169.50	465	468	195.00	361.60
		170.70	469	473	196.40	363.60
		171.80	474	478	197.60	365.60
		172.90	479	482	198.90	367.20
		174.10	483	487	200.30	369.20
		175.20	488	492	201.50	371.20
		176.30	489	496	202.80	372.80
		177.50	497	501	204.20	374.80
		178.60	502	506	205.40	376.80
		179.70	507	510	206.70	378.40
		180.80	511	515	208.00	380.40
		182.00	516	520	209.30	382.40
		183.10	521	524	210.60	384.00
		184.20	525	529	211.90	386.00
		185.40	530	534	213.30	388.00
		186.50	535	538	214.50	389.60
		187.60	539	543	215.80	391.60
		188.80	544	548	217.20	393.60
		189.90	549	553	218.40	395.60
		191.00	554	556	219.70	396.80
		192.00	557	560	220.80	398.40
		193.00	561	563	222.00	399.60
		194.00	564	567	223.10	401.20
		195.00	568	570	224.30	402.40
		196.00	571	574	225.40	404.00
		197.00	575	577	226.60	405.20
		198.00	578	581	227.70	406.80
		199.00	582	584	228.90	408.00
		200.00	585	588	230.00	409.60



TABLE FOR DETERMINING PRIMARY INSURANCE AMOUNT AND MAXIMUM FAMILY BENEFITS—Continued

I (Primary insurance benefit under 1939 act, as modified)		II (Primary insurance amount under 1967 act)	III (Average monthly wage)		IV (Primary insurance amount)	V (Maximum family benefits)
If an individual's primary insurance benefit (as determined under subsec. (d)) is—		Or his primary insurance amount (as determined under subsec. (c)) is—	Or his average monthly wage (as determined under subsec. (b)) is—		The amount referred to in the preceding paragraphs of this subsection shall be—	And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self-employment income shall be—
At least—	But not more than—		At least—	But not more than—		
		\$201.00	\$589	\$591	\$231.20	\$410.80
		202.00	592	595	232.30	412.40
		203.00	596	598	233.60	413.60
		204.00	599	602	234.60	415.20
		205.00	603	605	235.80	416.40
		206.00	606	609	236.90	418.00
		207.00	610	612	238.10	419.20
		208.00	613	616	239.20	420.80
		209.00	617	620	240.40	422.40
		210.00	621	623	241.50	423.60
		211.00	624	627	242.70	425.20
		212.00	628	630	243.80	426.40
		213.00	631	634	245.00	428.00
		214.00	635	637	246.10	429.20
		215.00	638	641	247.30	430.80
		216.00	642	644	248.40	432.00
		217.00	645	648	249.60	433.60
		218.00	649	650	250.70	434.40

#### Average Monthly Wage

(b) (1) \* \* \*

(4) The provisions of this subsection shall be applicable only in the case of an individual—

(A) who becomes entitled, after [January 1968] *December 1969* to benefits under section 202(a) or section 223; or

(B) who dies after [January 1968] *December 1969* without being entitled to benefits under section 202(a) or section 223; or

(C) whose primary insurance amount is required to be recomputed under subsection (f) (2).

#### Primary Insurance Amount Under [1965] 1967 Act

(c) (1) For the purposes of column II of the table appearing in subsection (a) of this section, an individual's primary insurance amount shall be computed on the basis of the law in effect prior to the enactment of the Social Security Amendments of [1967] 1969.

(2) The provisions of this subsection shall be applicable only in the case of an individual who became entitled to benefits under section 202(a) or section 223 before [the month of February 1968] *January 1970*, or who died before such month.

\* \* \* \* \*



## Transitional Insured Status

**Sec. 227.** (a) In the case of any individual who attains the age of 72 before 1969 but who does not meet the requirements of section 214(a), the 6 quarters of coverage referred to in so much of paragraph (1) of section 214(a) as follows clause (C) shall, instead, be 3 quarters of coverage for purposes of determining entitlement of such individual to benefits under section 202(a), and of his wife to benefits under section 202(b), but, in the case of such wife, only if she attains the age of 72 before 1969 and only with respect to wife's insurance benefits under section 202(b) for and after the month in which she attains such age. For each month before the month in which any such individual meets the requirements of section 214(a), the amount of his old-age insurance benefit shall, notwithstanding the provisions of section 202(a), be **[\$40]** \$46, and the amount of the wife's insurance benefit of his wife shall, notwithstanding the provisions of section 202(b), be **[\$20]** \$23.

(b) In the case of any individual who has died, who does not meet the requirements of section 214(a), and whose widow attains age 72 before 1969, the 6 quarters of coverage referred to in paragraph (3) of section 214(a) and in so much of paragraph (1) thereof as follows clause (C) shall, for purposes of determining her entitlement to widow's insurance benefits under section 202(e), instead be—

(1) 3 quarters of coverage if such widow attains the age of 72 in or before 1966,

(2) 4 quarters of coverage if such widow attains the age of 72 in 1967, or

(3) 5 quarters of coverage if such widow attains the age of 72 in 1968.

The amount of her widow's insurance benefit for each month shall, notwithstanding the provisions of section 202(e) (and section 202(m)), be **[\$40]** \$46.

\* \* \* \* \*

## Benefits at Age 72 for Certain Uninsured Individuals

### Eligibility

**Sec. 228.** (a) \* \* \*

### Benefit Amount

(b) (1) Except as provided in paragraph (2), the benefit amount to which an individual is entitled under this section for any month shall be **[\$40.]** \$46.

(2) If both husband and wife are entitled (or upon application would be entitled) to benefits under this section for any month, the amount of the husband's benefit for such month shall be **[\$40]** \$46 and the amount of the wife's benefit for such month shall be **[\$20.]** \$23.

### Reduction for Governmental Pension System Benefits

(c) (1) The benefit amount of any individual under this section for any month shall be reduced (but not below zero) by the amount of any periodic benefit under a governmental pension system for which he is eligible for such month.

(2) In the case of a husband and wife only one of whom is entitled to benefits under this section for any month, the benefit amount, after any reduction under paragraph (1), shall be further reduced (but not below zero) by the excess (if any) of (A) the total amount of any periodic benefits under governmental pension systems for which the spouse who is not entitled to benefits under this section is eligible for such month, over (B) **[\$20]** \$23.

(3) In the case of a husband and wife both of whom are entitled to benefits under this section for any month—

(A) the benefit amount of the wife, after any reduction under paragraph (1), shall be further reduced (but not below zero) by the excess (if any) of (i) the total amount of any periodic benefits under governmental pension systems for which the husband is eligible for such month, over (ii) **[\$40]** \$46, and

(B) the benefit amount of the husband, after any reduction under paragraph (1), shall be further reduced (but not below zero) by the excess (if any) of (i) the total amount of any periodic benefits under governmental pension systems for which the wife is eligible for such month, over (ii) **[\$20]** \$23.

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## SEPARATE VIEWS OF JACOB H. GILBERT

The 15-percent increase in social security benefits, effective January 1, 1970, recommended by the House Ways and Means Committee, will compensate social security beneficiaries for the rapidly rising living costs that have seriously eroded their benefits. Simple justice requires that our social security beneficiaries receive an immediate increase in benefits in order to maintain the buying power of their benefits in these times of rapid inflation.

Separating an immediate increase from other social security legislation will permit the fastest possible relief to social security beneficiaries beset by rapidly rising living costs. This approach also will allow the committee the time necessary to give major social security reform the comprehensive review such complex proposals require without penalizing social security beneficiaries by delay. The benefit increase should be looked on as stopgap legislation to allow time for development of a fuller program.

My bill, H.R. 14430, which is pending before the committee, would provide additional benefit increases, a two-step increase in the minimum benefit to \$120 a month by January 1, 1972, and would abolish the premium for medicare part B—now \$4 monthly—and make other much needed improvements in the social security and medicare programs. I am sure that in the coming months the committee will consider the proposals under my bill, H.R. 14430, and other pending social security legislation.

JACOB H. GILBERT.

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